Approved For Release 2006/12/19: CIA-RDP91M00696R000500150002-4 THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

Intelligence Community Staff

IC 76-2463

22 DEC 1976

MEMORANDUM FOR: See Distribution

FROM

Director of Performance Evaluation and

Improvement.

SUBJECT

Conference on Nuclear Proliferation

Intelligence

- 1. Problems related to nuclear proliferation are receiving increased priority within the US Government. During recent months, the Intelligence Community has been examining its capabilities and performance on nuclear proliferation and is initiating improvement actions. One area requiring attention is communication between the Intelligence Community and users of nuclear proliferation intelligence.
- 2. The Intelligence Community Staff will sponsor a meeting of producers and users of nuclear proliferation intelligence at 1300 hours, 7 January 1977, in the CIA Headquarters Building (Room 7E32, the DDI Conference Room). We invite you or your representative to attend this meeting. Invitees include senior representatives from the NSC Staff, State, Defense, ACDA, ERDA, and the NRC. Representatives from relevant production components of the Intelligence Community are also invited.
 - 3. The purposes of the meeting are to:
 - -- Enhance the Community's understanding of nuclear proliferation issues and the needs of users for proliferation intelligence.
 - -- Discuss with users ongoing and planned intelligence projects in the area of nuclear proliferation, to assure responsiveness to the highest priority user needs.

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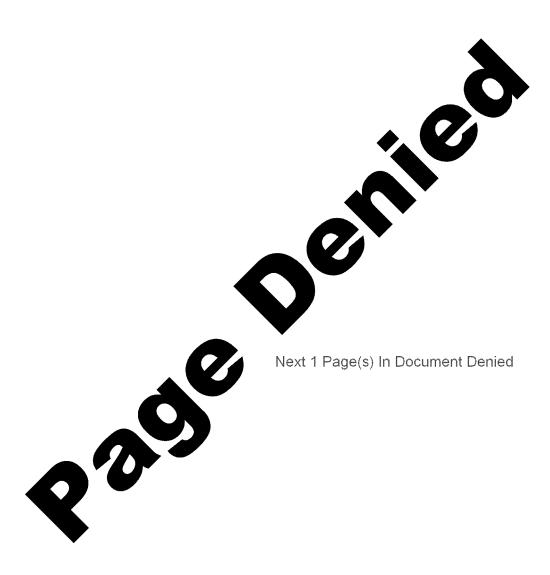
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4. Attached as background for this meeting are a list of invited participants, the agenda, a summary of a recent meeting of Community representatives concerned with proliferation intelligence, and a paper recently discussed with the National Foreign Intelligence Board by General Giller of ERDA.

5. I look forward to meeting with you on this important and complex subject of the IC Staff is the point of contact. Please notify him
at your earliest convenience whether you can attend the 07 January
neeting.
Attachments:

- 1) List of Invited Participants
- 2) Meeting Agenda
- 3) Summary of Intelligence Community Meeting
- 4) NFIB Discussion Paper

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INVITED PARTICIPANTS

National Security Council Staff

- Mr. Sam Hoskinson, Director for Intelligence Coordination for the National Security Council
- Dr. David Elliot, Director for Scientific Affairs for the National Security Council

Department of State

- Mr. Harold H. Saunders, Director, Bureau of Intelligence and Research
- Mr. Myron B. Kratzer, Deputy Assistant Secretary for Nuclear Energy and Energy Technology Affairs
- Mr. George S. Vest, Director, Bureau of Politico-Military Affairs

Department of Defense

- Mr. Donald Cotter, Assistant to the Secretary of Defense (Atomic Energy)
- Dr. James Wade, Deputy Assistant Secretary (Policy Plans and NSC Affairs)

U.S. Arms Control and Disarmament Agency

- Mr. Thomas D. Davies, Assistant Director for Non-Proliferation and Advanced Technology
- Dr. Fred Eimer, Deputy Assistant Director for Verification and Analysis

Energy Research and Development Administration

- Mr. Alfred D. Starbird, Assistant Administrator for National Security
- Mr. Nelson F. Sievering, Jr., Assistant Administrator for International Affairs
- Mr. Ray E. Chapman, Director, International Security Affairs
- Dr. Julio Torres, Assistant Director, International Security Affairs

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Nuclear Regulatory Commission						
Mr. Victor Gilinski, Commissioner						
Mr. James R. Shea, Director, Office of International Programs						
National Intelligence Officers						
Mr. Richard Lehman, Deputy to the DCI for National Intelligence						
Mr. Howard Stoertz, Jr., National Intelligence Officer/Strategic Programs						
Central Intelligence Agency						
Dr. Sayre Stevens, Deputy Director for Intelligence						
Defense Intelligence Agency						
Chief, Nuclear Energy and Applied Services	25 X 1					
Division						
Joint Atomic Energy Intelligence Committee						
Dr. Seaborne A. Newton, Chairman						
Intelligence Community Staff						
Chief, Production Assessment and Improvement Division	25X1					
Staff, Production Assessment and Improvement Division	25X1					
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Users Conference

Nuclear Proliferation Intelligence

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AGENDA

0	Кe	ynote/Statement of Purpose Stoertz)
0	Ον	erview
	0 0 0 0 0	IC Organization Users/Producers of Proliferation Intelligence Findings and Recommendations of Deutch Report Findings of NSC Review Summary of Producers Meeting PUG and PICC Suggestions Completed and Ongoing Products
0	Ро	ints for Discussion (Participants)
	O	IC priority on proliferation intelligence; key proliferation questions
	О	Current nuclear proliferation concerns (a brief description of activities and nature of involve ment by each participating organization)
	o	Needs of users for proliferation intelligence
	o	Product improvement multidisciplinary analysis
	o	Need for a consumer focal point
	o	Articulation of user needs
	o	Interaction between users and producers
D	A	Summing Up (Participants)
	0	Regular Producer/User Meetings Actions To Be Taken

MEMORANDUM FOR THE RECORD

SUBJECT: Summary of Intelligence Community Meeting Concerning
Nuclear Proliferation

On 29 November 1976, the Director of Performance Evaluation and Improvement, ICS, and the NIO for Strategic Programs jointly sponsored a meeting of collection and production elements of the Community responsible for nuclear proliferation intelligence. The participants included more than 30 analysts and high-level management representatives from the DCI collection committees, JAEIC, relevant production and collection elements, the IC Staff, and NIOs. Three major themes were explored during the two-hour session: 1) what does the Intelligence Community view as the needs of users of proliferation intelligence, 2) what is the Intelligence Community doing to meet these needs, and 3) in light of the increasing emphasis being placed on nuclear proliferation intelligence, what additional or different things should the Community be doing? The meeting left participants with a clearer perception of the importance currently placed on nuclear proliferation by the executive and legislative branches, the various collection and analysis activities under way and planned by members of the Intelligence Community, and the more comprehensive type of proliferation intelligence that undoubtedly will be needed by a variety of users in the years to come.

2. The timeliness and relevance of the meeting were highlighted by the realization that the current and future Administrations place great stress on constraining nuclear proliferation. The recent Presidential policy statement concerning proliferation, Congressional initiatives on the subject that are sure to be explored in the come of months, and the public positions of President-Elect Carter on his international and domestic strategies to deal with the problem of nuclear proliferation—all presage an increased demand for high-quality intelligence products. The Intelligence Community perceives that the future demand will be for a more "issue-driven" product. A clearer definition of user requirements with respect to the major policy issues will allow the Community to address those isses directly and to reformat existing intelligence information to be more useful and germane.

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- Historically, the Intelligence Community has attacked the nuclear proliferation problem in a fragmented manner. Regional responsibilities for proliferation intelligence lie with the different geographically oriented NIOs, the NIO/Strategic Programs coordinates generic proliferation problems, the Intelligence Community production elements are usually organized with responsibilities for political, economic, military and technical analyses located in different offices, and the JAEIC concentrates on the technical considerations of nuclear This decentralization of effort on the nuclear proliferaproliferation. tion problem has come about in some measure because of the disarray among US policymakers who focus on the problem. The departmental needs of the DOD, State, and ERDA determine for the most part the type of emphasis that their intelligence production elements place on. proliferation intelligence. In CIA, the general demand for technical intelligence has shaped its intelligence product to meet that demand.
- 4. Representatives from ERDA stressed the need for a coordinated Intelligence Community approach to meet two major objectives; namely, to minimize the proliferation risks inherent in international nuclear commerce and to a t to enhance regional stabilities. To achieve better definition of user requirements and an improved intelligence product in terms of timeliness, relevance, and quality, ERDA suggested a focal point for Community efforts reside in two committees: one, consisting of users (with producers represented on the committee), and two, a proliferation intelligence coordinating committee of producers. Such an arrangement could manage a proliferation intelligence program that in part consists of:
 - -- analysis of current policy issues and initiatives to determine intelligence requirements,
 - -- worldwide data base on plutonium stocks and flows,
 - -- assessment of foreign nuclear weapon development capabilities,
 - -- integration of technical capabilities with political/military intentions,
 - -- national security implications of proliferation activities,

- -- proliferation watch on specific countries,
- -- identification of additional intelligence requirements,
- -- program evaluation and revision.
- 5. The recognized need for current and more insightful intelligence has initiated general projects and organizational changes. For example, DIA is attempting to maintain a reasonably current (quarterly) review of the countries which are potential proliferators. CIA recently reorganized to put the scientific and weapons intelligence elements in the same directorate as the political, economic, and strategic offices. This move, and the creation of a special center for support of policy studies, will facilitate the production of multidisciplinary intelligence studies in CIA. Indeed, one such study on Pakistan is currently under way. It is hoped that these efforts will serve as guides for future CIA studies and for other Community efforts.
- The NIO/Strategic Programs drew several conclusions from the meeting's discussion. The Intelligence Community has a solid core of highly knowledgeable analysts and managers of collection and production who generally are supportive of a fresh interagency approach to improving the quality and utility to policymakers of intelligence on nuclear proliferation. There is clearly a need for an interdisciplinary, interagency working group on nuclear proliferation intelligence, to extend further the excellent work already performed by JAEIC. The interdisciplinary approach proposed within CIA/DDI is also highly desirable, in part to meet the need for short-fuse assessments of foreign political, economic and technical developments bearing on proliferation prospects. The nature and importance of the proliferation intelligence problem are such that it is deserving of the full-time attention of a senior substantive intelligence officer who would provide the Intelligence Community with a more effective focal point for consumers, producers, and collectors. In this regard, the NIO/SP recommends that the DCI should identify such an officer promptly so that he can form a new interagency working group and guide the Intelligence Community in preparing to meet the needs of the new Administration for intelligence on nuclear proliferation. In the interim, the NIO/SP will immediately develop terms of reference for a new SNIE on nuclear proliferation with a view toward having the SNIE available early in the new Administration.

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7. In order to be more responsive to the valid needs of policy makers for nuclear proliferation intelligence, the Community must						
engage in an increased and continued dialogue with those users. It						
must keep current with the major po	licy issues.					

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Attachment 4 NFIB-D-32.1/16

INTERAGENCY DISCUSSION PAPER ON PROLIFERATION INTELLIGENCE

	Over the next two decades the spread of plutonium, in spent fusl or separated form constitutes the most dangerous potential dissemination of the capacity to make nuclear devices. The impact of proliferation of national plutonium stockpiles and nuclear weapons capabilities, which may follow as a corollary to wider use of nuclear energy tach-nologies, may become a significant cause of international insecurity and tension. The diffusion of actual or perceived nuclear weapons capabilities may not necessarily increase the number of international crisis but it will undoubtedly increase their seriousness and their grim perspective. Regional stabilities may be effected by the variance of nuclear doctrines of local powers which in turn may draw the major powers into multilateral nuclear confrontations. It is thus clear that nuclear proliferation will have a major impact on US national security and will necessitate the development of policies, doctrines and force postures that can cope with the increased requirements for political flexibility, control of international nuclear commerce, crisis and conflict communication and policy initiatives.	
	The successful implementations of US non-proliferation and nuclear export policy initiatives requires that the intelligence community develop and disseminate to appropriate senior decision makers, a significantly better integrated understanding of foreign nuclear proliferation-related activities and their implications on US national security. However, as highlighted in the Fri Task Force memorandum to the President, existing information on international plutonium inventories (i.e., national Pu stockpiles) and foreign reprocessing activities is deficient. Moreover, the reports prepared by Dr. Dautch for DEPSECDEF Ellsworth correctly criticized the intelligence community for not maintaining a comprehensive data base which integrates political, economic, military, and technical factors and for not identifying a focal point for the management of community intelligence activities.	
•	As a first step toward improving the quality, timeliness and relevance of national-level proliferation intelligence and as a means of encouraging the NFIB to have a more active role in proliferation intelligence, it is suggested that two high level interagency committees be established i.e., the Proliferation Users Group (PUG) and the Proliferation Intelligence Coordinating Committee (FICC). The objectives of these two groups are discussed in the paragraphs that follow. Further, it is suggested that, due to the high level of interest and national concern about proliferation matters. NFIB schedule a proliferation intelligence review at least on a quarterly basis.	

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The primary objective of the PUG would be to provide a tacking of the intelligence community for that intelligence most useful to decision makers. In particular, the PUG should:

- 1. Identify impending and longer term non-proliferation policy issues and decision points to determine intelligence requirements.
- 2. Determine the form and content of the intelligence product that will be of the greatest utility to the decision makers.
- 3. Identify intelligence dissemination mechanisms which will bring the information to bear most directly on the specific issues at hand.

The PUG should be composed of representatives from those departments and agencies who have a role in the formulation and implementation of US non-proliferation policies and programs, to include ERDA (ANS/ALA), STATE, DOD/ISA, NRC, and ACDA, as well as appropriate representatives of the intelligence production agencies. This users group should report to the appropriate White House/NSC policy level.

The primary objective of the PICC would be to provide the integrated intelligence data and assessments in a form which is of the greatest utility to the user community. The PICC, composed of intelligence community agency representatives, should be directed by DCI to assume the following functional responsibilities:

- 1. Maintain awareness of current needs of proliferation intalligance users as well as related US and international policy initiatives in order to assure that the form and content of intelligence products bear most directly on the questions of major importance.
- 2. Establish and maintain an all-source data base that tracks the worldwide stocks and flows of plutonium.
- 3. Analyza foreign nuclear explosive device and weapon development programs. These assessments would identify indicators of indigenous weapon development programs, evaluate national or subnational capabilities to develop a nuclear device, and judge the significance of observed activities.
- 4. Integrate analyses of technical capabilities with similar assessments of political, economic, and military intentions. This multi-dimensional approach is essential for the preparation of complete intelligence.

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- 5. Assess the significance of proliferation-related activities for US national security. These assessments would involve potential direct threats to US interests as well as indirect threats to US foreign policy objectives.
- Maintain a proliferation watch of selected countries to provide early warning of proliferation-related activities that might require US political or military reaction. This continuous monitoring and analysis would include available data on nuclear and related materials, facilities, personnel, resources, and programs and would be coupled with information concerning political/military intent and indigenous national security perceptions.
- 7. Identify additional intelligence collection, analysis, and dissemination requirements.
- 8. Evaluate and revise the proliferation intelligence program objectives and activities to reflect evolving intelligence requirements to support future political initiatives.

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- 1. A DCT committee chained by CIA (e.g., the DDI). This approach would be consistent with the current DDI reorganization in which both technical and policy elements were incorporated into DDI. In addition, the chairman (DDI) and participating members are at a sufficiently high technical management level to direct the allocation of resources, within their respective organizations, to the requirements.
- 2. A DCI committee chaired by an intelligence community agency outaide CIA (e.g. ERDA). This approach would designate an agency that has both a producer and a users role and as such would optimize the interface with the users group. Further, the chairman and the participating members are at a sufficiently high technical/management level to direct the allocation of resources within their respective organizations, to the requirements.
- 3. A separate NIO or a high level CIA staff member (i.e. SUB-NIO) within the strategic NIO. In this case the NIO/SUB-NIO would be the chairman of the PICC and would direct the intelligence community within the current NIO procedures.

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4. A special NFIB committee chained by either CIA or an agency outside CIA. The specific chairman would come from a group which has direct responsibilities for proliferation matters within his particular organization.

Many additional intelligence community activities are possible which complement the approach suggested here; e.g., the recent reorganizations within CIA/DDI, ERDA/ISA programatic initiatives as part of the President's nuclear policy statement etc. However, it is strongly felt that the separation of the producers and users functional activities represents a necessary step. NFIB should direct the intelligence community to propose an appropriate organizational structure and schedule at the earliest possible time, following the two producers and joint producers/users meetings scheduled by the IC Staff.

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